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Market Development Reports

No Re-export License for China's Prohibited Meat and Poultry Products, Says Hong Kong Government 2003

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Report Highlights:

In view of the fact that Mainland China recently announced a list of animals and animal products of various countries prohibited from import into China because of various animal diseases, the Hong Kong government will suspend issuing import licenses for the re-export of the prohibited products to China effective October 6, 2003. U.S. products on the prohibited list include certain poultry, rabbits, sheep and their products from certain states. Hong Kong's role in helping enforce mainland regulations adds to the overall burdensome nature of procedures for sale to China. However, the trade expects to be able to comply without undue disruption. Imports for the Hong Kong market will not be affected.

Includes PSD Changes: No Includes Trade Matrix: No Unscheduled Report Hong Kong [HK1] [HK]

Summary

In view of the fact that Mainland China recently announced a list of animals and animal products of various countries prohibited from import into China because of various animal diseases, the Hong Kong government will suspend issuing import licenses for the re-export of those products to China effective October 6, 2003. U.S. products on the prohibited list include certain poultry, rodents, rabbits, sheep and their products. Poultry products from the states of Connecticut and Rhode Island are currently prohibited on the grounds of avian influenza. Poultry products from California, Nevada, Arizona, Texas and New Mexico are also banned on the grounds of Newscastle's Disease. Reportedly, the list will be subject to revision as conditions warrant.

According to the announcement, poultry products from Belgium, Israel, Italy, Holland, Australia and a number of other minor producing countries are banned in China. Poultry from Brazil that is for further processing and re-export is not affected. Beef is banned from Canada, Japan, Italy, Spain and the U.K. due to BSE.

Hong Kong importers who wish to apply for an import license for re-export to China of meat or poultry products originating from the non-affected areas of the United States are required to produce to the Hong Kong government the FSIS certificate showing the plant address. The Hong Kong importation requirements for poultry and meat products to Hong Kong for domestic consumption will not be affected by the new measures.

According to the trade, no serious disruption of current market channels for Hong Kong or Mainland China is expected due to the new announcement. There has been some uncertainty among companies about the procedures. China's layers of requirements for inspection permits from the quarantine service along with a permit from the Ministry of Commerce have already caused a drop in import of U.S. meat and poultry to the mainland.

Background

For the importation of meat and poultry products, Hong Kong importers are required to apply for an import license from the Hong Kong government for each consignment regardless of whether the product is for re-export or for domestic consumption. Importers must produce a photocopy of the health certificate and declare whether the consignment is for export or for local consumption at the time of license application. The issuance of licenses takes one working day and requires no application fee. The Hong Kong Food and Environmental Hygiene Department (FEHD) is responsible for issuing import licenses for these products.

The New Measure

Effective October 6, 2003, the FEHD will suspend issuing import licenses for meat and poultry re-exports to China originating from countries and states that are on China's meat import prohibition list. Import licenses issued for meat products prohibited by Mainland China before October 6, 2003 will be valid for six weeks from the date of issue or until October 5, 2003, whichever is earlier.

The table below shows U.S. products on China's Prohibition List

Diseases	Products prohibited from import into China
Newcastle disease	Birds and their products (only restricted to those
	from California, Nevada, Arizona, Texas and New
	Mexico)
Monkey Pox	Rodents such as prairie dogs, Gambian giant rats

	and squirrels, hares and their products
Avian Influenza	Birds and their products (only restricted to those
	from Connecticut and Rhode Island)
Rabbit haemorrhagic disease	Rabbits and their products (only restricted to those
	from New York, Iowa, Utah and Illinois)
Scrapie	Sheep, sheep embryos, sheep semen, sheep viscera
	(including casing) and their products, meat and
	bone meal, bone meal, sheep grease (oil) and
	animal fodder containing sheep albumen